

PETROLEUM AND NATURAL GAS (SHRI SANTOSH GANGWAR): (a) The foundation stone was laid in December, 1995.

(b) A Joint Venture Company i.e. Bharat Oman Refineries Limited has been registered in February, 1994. Government's sanction for setting up the project has been conveyed on 11.12.1995. All environmental clearances for all project facilities have also been received.

(c) Oman Oil Company Limited is reviewing their participation to proceed further with the project implementation.

(d) Land at Bina for the Refinery block, and at Vadinar for the Crude Oil Terminal (COT) has been acquired. Right of Use / Right of Way for the cross-country crude pipeline from the COT to the Refinery site has been acquired. Selection of Process Licensors has been made and basic design packages from them has been obtained. Project Management Consultancy (PMC) contract has been awarded, Front End Engineering Design has been completed and invitation of bids has been prepared. A total commitment of Rs. 219 crore has been made till date for the project, out of which an amount of Rs. 147.2 crore has been expended.

Impact of surging international oil prices on import bill

2432. SHRI VIJAY J. DARDA: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Government have assessed the impact of surging oil prices in international market on our import bill and economy;

(b) if so, the details thereof;

(c) the details of steps taken/proposed to minimise the impact;

(d) the details of international initiatives taken by Government seeking sops from the Organisation of Petroleum Exporting Countries (OPEC);

- (e) the outcome thereof; and
- (f) whether Government are considering further hike in petrol, kerosene, gas and other projects?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI SANTOSH GANGWAR): (a) and (b) Currently prices of crude oil in international market are volatile and are subject to wide fluctuations. The oil prices trend in the international market has an impact on our import bill and the domestic prices. Impact of surging international oil prices would depend upon the quantum of imports of crude oil and petroleum products.

(c) Steps have been taken to increase crude oil production in the country through application of improved technologies, development of new fields, additional development of existing fields and by inviting foreign and private capital in the upstream sector. Steps have also been taken to increase refining capacity by expansion of existing refineries in public sector and setting up of refineries in joint sector and private sector.

(d) and (e) In March, 2000 India had made a request to OPEC members to increase the production level of crude oil which would facilitate bringing down the oil prices to sustainable stable levels. During the World Petroleum Congress held in Calgary, Canada, the Minister of Petroleum and Natural Gas had a bilateral meeting with the Secretary General of OPEC, in which India suggested the two tier oil pricing in order to decrease the burden of petroleum pricing on developing countries.

(f) There is no proposal under consideration to increase the prices of controlled petroleum products.